

**PHI UPSILON OMICRON  
EDUCATIONAL FOUNDATION, INC.**

**FINANCIAL STATEMENTS**

July 31, 2018

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Phi Upsilon Omicron Educational Foundation, Inc.

We have audited the accompanying financial statements of Phi Upsilon Omicron Educational Foundation, Inc. (a non-profit organization), which comprise the statement of financial position as of July 31, 2018, and the related statement of activities, statement of functional expenses, and statement of cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Phi Upsilon Omicron Educational Foundation, Inc. as of July 31, 2018, and the changes in its net assets for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 1, the Foundation adopted a policy of preparing its financial statements in accordance with accounting principles generally accepted in the United States of America during the fiscal year ended July 31, 2018. The cumulative effect of this change in accounting basis is listed on the statement of activities as an adjustment to beginning net assets.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of fund activity on pages 15-21 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Hensley & Throneberry, CPAs*

January 10, 2019

PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.

STATEMENT OF FINANCIAL POSITION

July 31, 2018

**Assets**

Current assets

Cash and cash equivalents

\$ 109,593

Total current assets

109,593

Investments

Certificates of deposit

50,952

Other investments

2,758,801

Total investments

2,809,753

**Total assets**

**\$ 2,919,346**

**Liabilities and net assets**

Total current liabilities

\$ -0-

Net assets

Unrestricted net assets

43,866

Board restricted net assets

646,821

Total unrestricted net assets

690,687

Temporarily restricted net assets

2,228,659

Total net assets

2,919,346

**Total liabilities and net assets**

**\$ 2,919,346**

**PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.**

**STATEMENT OF ACTIVITIES**

Year Ended July 31, 2018

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Receipts</b>			
Designated contributions	\$ 200	\$ 18,555	\$ 18,755
Annual mailer receipts	7,257	-0-	7,257
Undesignated and other contributions	4,602	-0-	4,602
Investment income	14,943	44,160	59,103
Net realized and unrealized investment gains/(losses)	2,716	60,567	63,283
Net assets released from restrictions	<u>84,673</u>	<u>(84,673)</u>	<u>-0-</u>
<b>Total receipts</b>	<b>114,391</b>	<b>38,609</b>	<b>153,000</b>
<b>Disbursements</b>			
Program activities	89,649	-0-	89,649
Supporting activities			
Management and general	8,445	-0-	8,445
Fundraising	<u>500</u>	<u>-0-</u>	<u>500</u>
<b>Total disbursements</b>	<b><u>98,594</u></b>	<b><u>-0-</u></b>	<b><u>98,594</u></b>
<b>Change in net assets</b>	<b>15,797</b>	<b>38,609</b>	<b>54,406</b>
Net assets, beginning of year	643,630	2,063,677	2,707,307
Cumulative effect of change in accounting basis	<u>31,260</u>	<u>126,373</u>	<u>157,633</u>
<b>Net assets, end of year</b>	<b><u>\$ 690,687</u></b>	<b><u>\$ 2,228,659</u></b>	<b><u>\$ 2,919,346</u></b>

PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended July 31, 2018

	<u>Program Expenses</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Scholarships, fellowships and awards	\$ 68,089	\$ -0-	\$ -0-	\$ 68,089
National Council management fee	20,000	4,500	500	25,000
Professional fees	-0-	3,325	-0-	3,325
Meetings and receptions	1,342	530	-0-	1,872
Postage, printing, and office expense	218	55	-0-	273
Insurance and licenses	<u>-0-</u>	<u>35</u>	<u>-0-</u>	<u>35</u>
<b>Total disbursements</b>	<b><u>\$ 89,649</u></b>	<b><u>\$ 8,445</u></b>	<b><u>\$ 500</u></b>	<b><u>\$ 98,594</u></b>

**PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.**

**STATEMENT OF CASH FLOWS**

Year Ended July 31, 2018

<b>Cash flows from operating activities</b>	
Change in net assets	\$ 54,406
Adjustments to reconcile change in net asset to net cash provided by operating activities:	
Net realized and unrealized investment (gains) / losses	<u>(122,386)</u>
Net cash used by operating activities	(67,980)
 <b>Cash flows from investing activities</b>	
Purchase of investments	(8,145)
Proceeds from investments	<u>75,784</u>
Net cash provided by operating activities	<u>67,639</u>
 <b>Net decrease in cash</b>	<b>(341)</b>
Cash, beginning of year	<u>109,934</u>
<b>Cash, end of year</b>	<b><u>\$ 109,593</u></b>



**PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

Year Ended July 31, 2018

**Note 1 – Summary of Significant Accounting Policies**

**Organization and Nature of Activities**

Phi Upsilon Omicron Educational Foundation, Inc. (the “Foundation”) was established to promote and encourage activities in, and support of, the field and profession of Family and Consumer Sciences. Such activities include, but are not limited to, granting fellowships, scholarships, and awards to collegiate members and graduates in the field of Family and Consumer Sciences, granting university Family and Consumer Sciences faculty and staff awards, granting Family and Consumer Sciences research awards, and granting awards and recognition to persons who have significant achievements in the field of Family and Consumer Sciences.

**Basis of Accounting**

During the year ended July 31, 2018, the Foundation adopted a policy of preparing its financial statements in accordance with generally accepted accounting principles (“GAAP”) in the United States of America. The cumulative effect of this change in accounting basis, which totals \$157,633, is listed on the statement of activities as an adjustment to beginning net assets.

Accordingly, revenues and gains are recognized when they are earned, and expenses and losses are recognized when they are incurred. The Financial Accounting Standards Board Accounting Standards Codification (“ASC”) is the sole source of authoritative GAAP for non-governmental entities.

**Basis of Financial Statement Presentation**

The Foundation’s financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Codification Section 958.205 *Not-for-Profit Entities Presentation of Financial Statements* (ASC 958.205). Under ASC 958.205, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets based on the existence or absence of donor restrictions. The Foundation’s net assets and changes therein are classified and reported as follows:

*Unrestricted net assets:* represent resources whose use is not limited or restricted by donors.

*Board restricted net assets:* represent net assets not limited or restricted by donors but restricted by the Board for the purpose of assuring long-term stability and sustainability, while allowing for planning and implementation of longer-term initiatives.

*Temporarily restricted net assets:* represent resources whose use is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled or otherwise removed by the Foundation’s actions.

*Permanently restricted net assets:* represent resources whose use is limited by donor-imposed stipulations that neither expire nor can be fulfilled or otherwise removed by the Foundation’s actions. For the year ended July 31, 2018, the Foundation held no permanently restricted net assets.

**PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

Year Ended July 31, 2018

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Basis of Financial Statement Presentation (continued)**

Additionally, the Foundation has adopted FASB Codification Section 958.605 *Not-for-Profit Entities Revenue Recognition* (ASC 958.605). In accordance with ASC 958.605, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence or nature of donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restrictions expire in the same reporting period in which the support is received. All other donor restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends, or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Contributions**

Contributions of long-lived assets are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Contributions of long-lived assets with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations regarding how those long-lived assets are to be used, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

**Cash and Cash Equivalents**

Cash consists of cash in a checking account and a business deposit account. The Foundation considers all highly liquid investments with an initial maturity date of three months or less at the time of purchase to be cash equivalents. Cash and cash equivalents held by investment managers in investment accounts are considered investments and are presented accordingly in the statement of financial position.

**Donated Services**

In accordance with ASC 905.605, donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. For the year ending July 31, 2018, no services were received that met the criteria for recognition as donated services.

**Functional Expenses**

The cost of providing program and supporting activities has been presented on a functional basis in the statement of functional expenses and is summarized in the statement of activities. Expenses are charged to program or supporting activities as incurred or are allocated using a statistical basis.

**PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

Year Ended July 31, 2018

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Income Taxes**

For federal tax purposes the Foundation is an exempt organization under Section 501 (c)(3) of the Internal Revenue Code and was determined not to be a private foundation by the Internal Revenue Service; however, the Foundation remains subject to tax on any business income unrelated to its tax-exempt purpose.

The Foundation follows FASB Codification Section 740 *Accounting for Uncertainty in Income Taxes* (ASC 740). This guidance provides a recognition threshold and measurement process for uncertain tax positions, including any estimated penalties and interest associated with those uncertain tax positions. For the year ended July 31, 2018, there were no uncertain tax positions requiring accrual. The Foundation's 2015 through 2018 tax years remain open and subject to examination.

**Use of Estimates**

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Subsequent Events**

The Foundation has evaluated events occurring between the end of its most recent fiscal year (July 31, 2018) and January 10, 2019, which was the date the financial statements were made available.

**Note 2 - Investments**

Investments are recorded and carried at fair market value. For the year ended July 31, 2018, investment returns and its classification in the statement of activities is summarized as follows:

Interest and dividends	\$ 84,180
Capital gain distributions	17,742
Net realized and unrealized gains	45,540
Investment advisory fees	<u>(25,076)</u>
Total	<u>\$ 122,386</u>

**PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

Year Ended July 31, 2018

**Note 3 – Fair Value Measurement**

FASB Codification Section 820 (ASC 820) *Fair Value Measurements and Disclosures* defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Under ASC 820, various inputs are used in determining the fair value of assets and liabilities. These inputs are summarized in a hierarchy that segregate fair value measurement in three levels (levels 1, 2, and 3), determined by the nature of input as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. A quoted market price in an active market provides the most reliable evidence of fair value.
- Level 2 – Other significant observable inputs, including quoted prices of similar securities in active markets, quoted prices for identical securities in markets that are not active, and other market-corroborated inputs.
- Level 3 – Significant unobservable inputs, including the Foundation’s own assumptions in determining the fair value of investments, based on the best information available in the circumstances.

The following is a description of the valuation methodologies used for the assets and liabilities measured at fair value. There have been no changes in the methodologies used to determine fair value at December 31, 2018.

*Certificates of deposit:* Carried at cost, which approximates fair value.

*Mutual funds:* Valued at the net asset value of the shares held by the Foundation.

*U. S. government and government agency obligations:* Valued using a yield curve matrix derived from quoted prices for similar assets in active markets.

*Corporate bonds/notes and other fixed income securities:* Valued using a yield curve matrix derived from quoted prices for similar assets in active markets.

*Exchange traded funds:* Valued at the quoted market price of the shares held by the Foundation.

*Equity securities:* Valued at the quoted market price of the shares held by the Foundation.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

Year Ended July 31, 2018

**Note 3 – Fair Value Measurement (continued)**

The following table sets forth by level within the fair value hierarchy, the Foundation’s investments at fair value at July 31, 2018:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and money market funds	\$ 187,988	\$ -0-	\$ -0-	\$ 187,988
Mutual funds	517,066	-0-	-0-	517,066
US government and government agency obligations – not rated	-0-	438,344	-0-	438,344
Corporate bonds and other fixed income				
Rated Baa2	-0-	1,679	-0-	1,679
Rated B2	-0-	2,908	-0-	2,908
Rated B3	-0-	3,991	-0-	3,991
Rated Ca	-0-	4,943	-0-	4,943
Rated Caa1	-0-	8,906	-0-	8,906
Not rated	<u>-0-</u>	<u>134,000</u>	<u>-0-</u>	<u>134,000</u>
	-0-	156,427	-0-	156,427
Equities				
U.S.	346,796	-0-	-0-	346,796
International	<u>51,236</u>	<u>-0-</u>	<u>-0-</u>	<u>51,236</u>
	398,032	-0-	-0-	398,032
Exchange traded funds	<u>1,111,896</u>	<u>-0-</u>	<u>-0-</u>	<u>1,111,896</u>
Total investments	<u>\$2,214,982</u>	<u>\$ 594,771</u>	<u>\$ -0-</u>	<u>\$2,809,753</u>

As indicated above, the Foundation is invested in various types of investment securities. Investments are exposed to various risks such as interest rate risk, credit risk, and market risk. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying statement of financial position.

**PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

Year Ended July 31, 2018

**Note 4 – Concentration of Risk**

The Foundation maintains its cash accounts in various financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Foundation's cash balances at various times throughout the year may be in excess of amounts insured.

**Note 5 – Related Party Transactions**

During the fiscal year ended July 31, 2018, the Foundation received \$7,257 of undesignated contributions from Phi Upsilon Omicron, Inc.'s (National Council) annual alumni fee mailer, which includes a solicitation for gifts. Also, the Foundation shares certain management personnel and office facilities with the National Council. During the fiscal year ended July 31, 2018, the Foundation paid \$25,000 to the National Council for this management support.

**Note 6 – Endowment Funds**

In 2008, the FASB issued ASC 958-205-45-28, *Classification of Donor-Restricted Endowment Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act*. This pronouncement provided guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). The pronouncement also improved disclosures about an organization's endowment funds, both donor restricted endowment funds and board designated endowment funds.

At July 31, 2018, endowment net assets consist of the following:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Board designated endowment funds	\$ 646,821	\$ -0-	\$ -0-	\$ 646,821
Donor restricted endowment funds	<u>-0-</u>	<u>2,228,659</u>	<u>-0-</u>	<u>2,228,659</u>
Total	<u>\$ 646,821</u>	<u>\$2,228,659</u>	<u>\$ -0-</u>	<u>\$ 2,875,480</u>

**PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

Year Ended July 31, 2018

**Note 6 – Endowment Funds** (continued)

Changes in endowment net assets during the year ended July 31, 2018 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Beginning of the year	\$ 627,006	\$ 2,063,677	\$ -0-	\$ 2,690,683
Cumulative effect of change in accounting basis	17,684	126,373	-0-	144,057
Contributions	200	18,555	-0-	18,755
Investment income	17,366	104,450	-0-	121,816
Appropriation of endowment assets for expenditure	<u>(15,435)</u>	<u>(84,396)</u>	<u>-0-</u>	<u>(99,831)</u>
End of the year	<u>\$ 646,821</u>	<u>\$ 2,228,659</u>	<u>\$ -0-</u>	<u>\$ 2,875,480</u>

*Return objectives and risk parameters:*

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. The Foundation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through the diversification of asset classes. Actual returns in any given year may vary.

*Strategies employed for achieving return objectives:*

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on mutual funds and equity-based investments to achieve its long-term objectives within prudent risk parameters.

*Spending policy and how the investment objectives relate to the spending policy:*

Scholarships, fellowships, and awards are distributed in the amount equal to 90% of the prior three years' average investment income. Additional distributions from accumulated earnings without donor restrictions may be made at any time during the fiscal year with the Board's approval.

## **SUPPLEMENTARY INFORMATION**



**PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.**

**SCHEDULE OF FUND ACTIVITY**

Year Ended July 31, 2018

	<u>Total All Funds</u>	<u>Unrestricted</u>	<u>Board Restricted</u>				
		<u>Operating Fund</u>	<u>Professional Development Fund</u>	<u>General Scholarship/Fellowship/Award Fund</u>	<u>Alumni Research Grant Fund</u>	<u>Members Centennial Scholarship Fund</u>	<u>Lucile Rust Scholarship Fund</u>
<b>Support and revenue</b>							
Designated contributions	\$ 18,755	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 100	\$ -0-
Annual mailing	7,257	7,257	-0-	-0-	-0-	-0-	-0-
Undesignated contribution	4,602	4,602	-0-	-0-	-0-	-0-	-0-
Investment income	122,386	567	1,538	3,717	721	627	471
Total support and revenue	153,000	12,426	1,538	3,717	721	727	471
<b>Disbursements</b>							
Scholarships, fellowships, and awards	68,089	-0-	750	2,750	2,165	500	300
National Council management fee	25,000	25,000	-0-	-0-	-0-	-0-	-0-
Professional fees	3,325	3,325	-0-	-0-	-0-	-0-	-0-
Meetings and receptions	1,872	1,872	-0-	-0-	-0-	-0-	-0-
Postage, printing, and office expense	273	273	-0-	-0-	-0-	-0-	-0-
Insurance and licenses	35	35	-0-	-0-	-0-	-0-	-0-
Total disbursements	98,594	30,505	750	2,750	2,165	500	300
Change in fund balance	54,406	(18,079)	788	967	(1,444)	227	171
Balance – beginning of year	2,707,307	16,624	54,929	143,252	26,519	22,445	16,906
Cumulative effect of change in accounting basis	157,633	13,576	1,993	(5,217)	1,061	805	572
Transfer between funds	-0-	31,744	-0-	-0-	-0-	-0-	-0-
Balance – end of year	<u>\$ 2,919,346</u>	<u>\$ 43,865</u>	<u>\$ 57,710</u>	<u>\$ 139,002</u>	<u>\$ 26,136</u>	<u>\$ 23,477</u>	<u>\$ 17,649</u>

See independent auditor's report.

PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.

SCHEDULE OF FUND ACTIVITY

Year Ended July 31, 2018

	Board Restricted						
	<u>Genevieve Forthun Scholarship Fund</u>	<u>Past Presidents' Scholarship Fund</u>	<u>Challenge Scholarship Fund</u>	<u>Hazel Hatcher Scholarship Fund</u>	<u>Century Scholarship Fund</u>	<u>K. Virginia Siedel Scholarship Fund</u>	<u>President's Research Fellowship Fund</u>
<b>Support and revenue</b>							
Designated contributions	\$ -0-	\$ 100	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Annual mailing receipts	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Undesignated contribution	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Investment income	969	585	785	506	778	991	862
Total support and revenue	<u>969</u>	<u>685</u>	<u>785</u>	<u>506</u>	<u>778</u>	<u>991</u>	<u>862</u>
<b>Disbursements</b>							
Scholarships, fellowships, and awards	300	500	500	500	500	800	-0-
National Council management fee	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Professional fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Meetings and receptions	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Postage, printing, and office expense	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Insurance and licenses	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total disbursements	<u>300</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>800</u>	<u>-0-</u>
Change in fund balance	669	185	285	6	278	191	862
Balance – beginning of year	21,013	21,018	21,932	18,212	21,731	35,547	30,571
Cumulative effect of change in accounting basis	14,758	709	7,176	643	7,126	1,287	1,114
Transfer between funds	<u>(365)</u>	<u>-0-</u>	<u>(294)</u>	<u>-0-</u>	<u>(291)</u>	<u>(370)</u>	<u>(325)</u>
Balance – end of year	<u>\$ 36,075</u>	<u>\$ 21,912</u>	<u>\$ 29,099</u>	<u>\$ 18,861</u>	<u>\$ 28,844</u>	<u>\$ 36,655</u>	<u>\$ 32,222</u>

See independent auditor's report.

PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.

SCHEDULE OF FUND ACTIVITY

Year Ended July 31, 2018

	Board Restricted						Temporarily Restricted
	Diamond Gift Fellowship Fund	Geraldine Clewell Fund	Florence Fallgatter Award Fund	Orinne Johnson Award Fund	Batchel / Holbrook Award Fund	Margaret R. Hollenbeck Scholarship Fund	Martha C. Jenkins Scholarship Fund
<b>Support and revenue</b>							
Designated contributions	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 2,060
Annual mailing receipts	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Undesignated contribution	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Investment income	824	1,801	845	264	459	625	1,185
Total support and revenue	824	1,801	845	264	459	625	3,245
<b>Disbursements</b>							
Scholarships, fellowships, and awards	750	1,250	24	-0-	-0-	900	850
National Council management fee	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Professional fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Meetings and receptions	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Postage, printing, and office expense	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Insurance and licenses	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total disbursements	750	1,250	24	-0-	-0-	900	850
Change in fund balance	74	551	821	264	459	(275)	2,395
Balance – beginning of year	31,669	64,534	29,964	9,367	16,284	41,115	41,542
Cumulative effect of change in accounting basis	(1,005)	2,325	1,100	339	590	(17,693)	1,429
Transfer between funds	(307)	(674)	(319)	-0-	-0-	-0-	(454)
Balance – end of year	\$ 30,431	\$ 66,736	\$ 31,566	\$ 9,970	\$ 17,333	\$ 23,147	\$ 44,912

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PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.

SCHEDULE OF FUND ACTIVITY

Year Ended July 31, 2018

	Temporarily Restricted						
	Treva Kintner Scholarship Fund	Mary W. Franken Scholarship Fund	L. Schoephoerster Scholarship Fund	Closs / Parnitzke / Clarke Scholarship Fund	Tommie J. Hamner Scholarship Fund	Sutherland / Purdy Scholarship Fund	Nell B. Robinson Scholarship Fund
<b>Support and revenue</b>							
Designated contributions	\$ -0-	\$ 613	\$ 1,467	\$ 200	\$ 100	\$ -0-	\$ 1,000
Annual mailing receipts	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Undesignated contribution	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Investment income	1,013	304	2,566	679	535	439	516
Total support and revenue	1,013	917	4,033	879	635	439	1,516
<b>Disbursements</b>							
Scholarships, fellowships, and awards	800	500	2,000	500	-0-	300	1,000
National Council management fee	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Professional fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Meetings and receptions	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Postage, printing, and office expense	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Insurance and licenses	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total disbursements	800	500	2,000	500	-0-	300	1,000
Change in fund balance	213	417	2,033	379	635	139	516
Balance – beginning of year	36,324	10,683	91,379	24,732	18,917	15,715	18,293
Cumulative effect of change in accounting basis	1,318	426	3,241	385	693	579	679
Transfer between funds	(379)	-0-	(967)	(255)	-0-	-0-	-0-
Balance – end of year	\$ 37,476	\$ 11,526	\$ 95,686	\$ 25,241	\$ 20,245	\$ 16,433	\$ 19,488

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PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.

SCHEDULE OF FUND ACTIVITY

Year Ended July 31, 2018

	Temporarily Restricted						
	S. Penny Chappell Scholarship Fund	Margaret Jerome Sampson Scholarship Fund	Jackman Scholarship Fund	Sarah Pearce Sanders Scholarship Fund	Susan Rickards Scholarship Fund	Marty Bickett Frost Fund	Phyllis Howe Fund
<b>Support and revenue</b>							
Designated contributions	\$ -0-	\$ -0-	\$ 500	\$ -0-	\$ -0-	\$ 1,000	\$ -0-
Annual mailing receipts	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Undesignated contribution	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Investment income	489	72,573	640	1,057	715	627	15,416
Total support and revenue	489	72,573	1,140	1,057	715	1,627	15,416
<b>Disbursements</b>							
Scholarships, fellowships, and awards	300	30,000	500	850	750	500	15,000
National Council management fee	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Professional fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Meetings and receptions	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Postage, printing, and office expense	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Insurance and licenses	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total disbursements	300	30,000	500	850	750	500	15,000
Change in fund balance	189	42,573	640	207	(35)	1,127	416
Balance – beginning of year	17,508	1,070,557	22,711	37,891	25,319	21,981	414,532
Cumulative effect of change in accounting basis	631	78,284	836	1,380	1,336	828	25,387
Transfer between funds	-0-	(17,871)	-0-	(395)	(266)	-0-	(6,605)
Balance – end of year	\$ 18,328	\$ 1,173,543	\$ 24,187	\$ 39,083	\$ 26,354	\$ 23,936	\$ 433,730

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**PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.**

**SCHEDULE OF FUND ACTIVITY**

Year Ended July 31, 2018

**Temporarily Restricted**

	<b>Delores M. Kluckman Scholarship Fund</b>	<b>Jean Dickerscheid Fellowship Fund</b>	<b>Margaret Drew Alpha Fellowship Fund</b>	<b>Karen P. Goebel Award Fund</b>	<b>Louise A. Young Award Fund</b>	<b>Shirley Noah Chase Award Fund</b>	<b>Sarah T. Phillips Award Fund</b>
<b>Support and revenue</b>							
Designated contributions	\$ 2,000	\$ 8,415	\$ 200	\$ 1,000	\$ -0-	\$ -0-	\$ -0-
Annual mailing receipts	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Undesignated contribution	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Investment income	797	764	727	390	1,835	173	534
<b>Total support and revenue</b>	<b>2,797</b>	<b>9,179</b>	<b>927</b>	<b>1,390</b>	<b>1,835</b>	<b>173</b>	<b>534</b>
<b>Disbursements</b>							
Scholarships, fellowships, and awards	500	-0-	-0-	-0-	-0-	200	600
National Council management fee	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Professional fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Meetings and receptions	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Postage, printing, and office expense	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Insurance and licenses	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>Total disbursements</b>	<b>500</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>200</b>	<b>600</b>
Change in fund balance	2,297	9,179	927	1,390	1,835	(27)	(66)
Balance – beginning of year	25,672	23,056	25,791	13,340	65,100	6,254	19,258
Cumulative effect of change in accounting basis	2,890	810	834	517	2,356	224	690
Transfer between funds	(309)	(330)	(275)	-0-	(693)	-0-	-0-
<b>Balance – end of year</b>	<b>\$ 30,550</b>	<b>\$ 32,715</b>	<b>\$ 27,277</b>	<b>\$ 15,247</b>	<b>\$ 68,598</b>	<b>\$ 6,451</b>	<b>\$ 19,882</b>

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**PHI UPSILON OMICRON EDUCATIONAL FOUNDATION, INC.**

**SCHEDULE OF FUND ACTIVITY**

Year Ended July 31, 2018

	<u>Temporarily Restricted</u>	
	<b>Janice M. Bullock Award Fund</b>	<b>Lynne White Scheider Award Fund</b>
<b>Support and revenue</b>		
Designated contributions	\$ -0-	\$ -0-
Annual mailing receipts	-0-	-0-
Undesignated contribution	-0-	-0-
Investment income	250	227
Total support and revenue	<u>250</u>	<u>227</u>
<b>Disbursements</b>		
Scholarships, fellowships, and awards	200	250
National Council management fee	-0-	-0-
Professional fees	-0-	-0-
Meetings and receptions	-0-	-0-
Postage, printing, and office expense	-0-	-0-
Insurance and licenses	-0-	-0-
Total disbursements	<u>200</u>	<u>250</u>
Change in fund balance	50	(23)
Balance – beginning of year	8,955	8,165
Cumulative effect of change in accounting basis	323	298
Transfer between funds	<u>-0-</u>	<u>-0-</u>
Balance – end of year	<u>\$ 9,328</u>	<u>\$ 8,440</u>

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